



February 16, 2007

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## HOUSE BILL No. 1481

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DIGEST OF HB 1481 (Updated February 13, 2007 1:16 pm - DI 107)

**Citations Affected:** IC 34-51.

**Synopsis:** Punitive damage awards. Provides that contracted attorney fees and reasonable costs are to be paid out of a punitive damage award. Requires: (1) 75% of the remainder of a punitive damage award to be paid to the person to whom the damages were awarded; and (2) 25% of the remainder of the award to be deposited in the violent crime victims compensation fund. Makes technical corrections. (Current law requires: (1) 25% of a punitive damage award to be paid to the person to whom the damages were awarded; and (2) 75% of the award to be deposited in the violent crime victims compensation fund.)

**Effective:** July 1, 2007.

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**Kuzman**

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January 23, 2007, read first time and referred to Committee on Judiciary.  
February 15, 2007, amended, reported — Do Pass.

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HB 1481—LS 6872/DI 69+



February 16, 2007

First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

## HOUSE BILL No. 1481

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A BILL FOR AN ACT to amend the Indiana Code concerning civil procedure.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1       SECTION 1. IC 34-51-3-6, AS AMENDED BY P.L.105-2006,  
2       SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3       JULY 1, 2007]: Sec. 6. (a) Except as provided in IC 13-25-4-10, when  
4       a finder of fact announces a verdict that includes a punitive damage  
5       award in a civil action, the party against whom the judgment was  
6       entered shall notify the office of the attorney general of the punitive  
7       damage award.  
8       (b) When a punitive damage award is paid, the party against whom  
9       the judgment was entered shall pay the punitive damage award to the  
10      clerk of the court where the action is pending.  
11      (c) Upon receiving the payment described in ~~subsection (a)~~,  
12      **subsection (b)**, the clerk of the court shall **pay out of the punitive**  
13      **damages award attorney's fees to the attorney who represented the**  
14      **person to whom punitive damages were awarded, in the amount**  
15      **contracted for by the attorney and the person, and reasonable costs**  
16      **incurred by the person to whom punitive damages were awarded.**  
17      **After these attorney's fees and costs are paid, the clerk shall**

HB 1481—LS 6872/DI 69+



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1 **distribute the remainder of the punitive damages as follows:**  
2       (1) pay the person to whom punitive damages were awarded  
3       twenty-five percent (25%) of the punitive damage award; and  
4       (2) pay the remaining seventy-five percent (75%) of the punitive  
5       damage award  
6       **(1) Seventy-five percent (75%) of the remainder to the person**  
7       **to whom punitive damages were awarded.**  
8       **(2) Twenty-five percent (25%) of the remainder** to the  
9       treasurer of state, who shall deposit the funds into the violent  
10      crime victims compensation fund established by IC 5-2-6.1-40.  
11      (d) The office of the attorney general may negotiate and  
12      compromise a punitive damage award described in subsection (c)(2).  
13      (e) The state's interest in a punitive damage award described in  
14      ~~subsection (b)(2)~~ **subsection (c)(2)** is effective when a finder of fact  
15      announces a verdict that includes punitive damages.

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## COMMITTEE REPORT

Mr. Speaker: Your Committee on Judiciary, to which was referred House Bill 1481, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 12, delete ":" and insert **"pay out of the punitive damages award attorney's fees to the attorney who represented the person to whom punitive damages were awarded, in the amount contracted for by the attorney and the person, and reasonable costs incurred by the person to whom punitive damages were awarded. After these attorney's fees and costs are paid, the clerk shall distribute the remainder of the punitive damages as follows:"**.

Page 1, strike line 13.

Page 1, line 14, delete "seventy-five".

Page 1, line 14, strike "percent".

Page 1, line 14, delete "(75%)".

Page 1, line 14, strike "of the punitive".

Page 1, strike line 15.

Page 1, line 16, strike "(2) pay the remaining".

Page 1, line 16, delete "twenty-five".

Page 1, line 16, strike "percent".

Page 1, line 17, delete "(25%)".

Page 1, line 17, strike "of the punitive damage award".

Page 1, line 17, delete "as follows:".

Page 2, delete lines 1 through 6.

Page 2, line 7, delete "award", begin a new line block indented and insert:

**"(1) Seventy-five percent (75%) of the remainder to the person to whom punitive damages were awarded.**

**(2) Twenty-five percent (25%) of the remainder".**

and when so amended that said bill do pass.

(Reference is to HB 1481 as introduced.)

LAWSON L, Chair

Committee Vote: yeas 7, nays 2.

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